IN THE CLAIMS:

1. (Currently amended) A medical device, comprising

a hollow housing;

a needle having a sharpened tip operable between an extended position extending forwardly from the housing and a retracted position in which the sharpened tip of the needle is enclosed within the housing;

a catheter mounted on the needle, wherein the catheter comprises a catheter hub;

a biasing element biasing the needle toward the retracted position; and

a needle retainer fixedly connected with the needle and releasably retaining the needle in the extended position, comprising ~~an elongated arm~~ a radially deflecting elongated arm which directly engages the catheter hub ~~and rotates on a pivot~~;

wherein the needle retainer releases the needle upon disengagement of the catheter hub from the elongated arm allowing the elongated arm to deflect inwardly towards the inside of the housing and allowing the biasing element to propel the needle rearward; and

wherein when the needle is in the retracted position, the needle retainer is retracted inside the housing.

2. (Withdrawn) The medical device of claim 1 comprising a lock for locking the needle in the retracted position.

3. (Original) The medical device of claim 1 wherein the elongated arm comprises a latch releasably engaging the housing.

4. (Original) The medical device of claim 1 comprising a flashback chamber integrally formed with the needle retainer.

5. (Cancelled)

6. (Currently amended) A medical device comprising:

a hollow housing;

a needle having a sharpened tip operable between an extended position extending forwardly from the housing and a retracted position in which the sharpened tip is enclosed within the housing;

a catheter mounted on the needle;

a biasing element biasing the needle rearwardly into the retracted position;

a needle retainer operable between a latched position and an unlatched position,

wherein in the latched position the needle retainer retains the needle in the extended position against the bias of the biasing element, and

wherein the needle retainer comprises ~~an elongated arm~~ a radially deflecting elongated arm which directly engages the catheter hub and ~~rotates on a pivot~~ deflects inwardly toward the inside of the housing to automatically release the needle upon disengagement of the catheter from the housing; and

an exposed surface manually operable to delay retraction of an inserted needle by retaining the needle retainer in the latched position.

7. (Original) The medical device of claim 6 wherein the catheter has an internal surface and an external surface, and a forward portion of the needle retainer engages the catheter external surface.

8. (Original) The medical device of claim 6 comprising a fluid chamber in fluid communication with the needle.

9. (Original) The medical device of claim 6 wherein the needle retainer is releasably connected to the housing.

10. (Original) The medical device of claim 6 wherein a rearward portion of the needle retainer is spaced rearwardly from the catheter.

11. (Withdrawn) The medical device of claim 6 wherein the catheter is operable between a mounted position in which the catheter is mounted on the housing, and a removed position in which the catheter is removed from the housing, wherein the device comprises an indicator associated with the catheter operable to provide an indication signal when the catheter is displaced into a position intermediate the mounted position and the removed position.

12. (Withdrawn) The medical device of claim 6 wherein the indication signal is audible or tactile.

13. (Withdrawn) The medical device of claim 11 wherein the indication signal is visual.

14. (Currently amended) A method for inserting an IV catheter, comprising the steps of:

providing a catheter insertion device having a housing, a catheter hub removably mounted on the housing, a needle, and a needle retainer for releasably retaining the needle so that the needle projects forwardly from the housing, wherein the needle retainer comprises ~~an elongated arm~~ a radially deflecting elongated arm which directly engages the catheter hub ~~and rotates on a pivot~~;

disengaging the catheter from the housing, wherein the disengagement of the catheter causes the elongated arm of the needle retainer to deflect inwardly toward the inside of the housing thereby causing the needle to begin retracting into the housing;

selectively manually engaging the needle retainer to impede retraction of the needle;

~~pivoting the arm~~ deflecting the needle retainer inwardly to release the selective manual engagement of the needle retainer and the needle; and

retracting the needle into the housing.

15-21. (Cancelled)